

CONFIDENTIAL

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2

*Bernard
et al.
Memorandum
Book
EWIP?*

August 28, 1974

Dear Tom:

I will be coming to Washington the week of September 9 in connection with my work for the Commission, and I would like to interview a number of people at Central Intelligence Agency. I would hope that the interviews could be set up for the afternoon of September 9 and throughout the day on September 10. The morning of September 11 is possible, but I would hope that we could avoid that.

I would like to meet with George Carver to solicit his views on the operation of the NIO system, and then speak to [redacted] on this subject. I am particularly interested in their views on the strengths and weaknesses of this system in relation to the former system, a description of their working methods, their relations to other parts of CIA, other intelligence agencies, and the policymakers, and how they see the system evolving.

I want to talk to the head of the IC staff to learn more about their function, working methods and relationships--both within CIA and with other agencies--and how these are evolving, and to discuss both the potential and the limitations for greater coordination of the intelligence community. [redacted]

[redacted] has had considerable experience in these areas, and his views should be very helpful.

Lapham
I would also like to meet with Richard Lehman, ~~Morris~~ Ernst, and E. Henry Knoche--in no particular order--to have general discussions on how the work of their offices has evolved in recent years. I was quite familiar with these offices at one time, but need to be brought up to date on their structures, the focus of their efforts, and their relationships with other offices in the government doing work of a similar nature.

Finally, I want to discuss with Ed Proctor the relationship of the NIO system to the DDI, the relationships of the DDI to DIA and INR, and the broad subject of the relationship of intelligence production and policymaking. Naturally, I will want to get the views of all the people I interview on this last subject.

I hope to be able to gain the information I need for both of my papers through a single interview with the people listed, although I may need to approach one or two of them again. I hope that you will be able to arrange this without undue trouble.

Sincerely,

William J. Barnds
William J. Barnds

Mr. Thomas Reckford
Commission on the Organization
of the Government for Foreign Policy
2025 M Street, N.W.
Washington, D.C. 20506

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2

MEMORANDUM FOR: Director/OER
Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2

Only copy of letter from
Barnds was sent to people.

Lew--

The Director has approved our
talking to Bill Barnds when he is in town.
[REDACTED] /IC Staff will be arranging the
schedule for Barnds and will be contacting
you.

/s/
Ed Proctor

4 September 1974
(DATE)

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)

STAT
MEMORANDUM FOR: Director/OER

Maurice--

The Director has approved our
talking to Bill Barnds when he is in town.
[REDACTED] /IC Staff will be arranging the
schedule for Barnds and will be contacting
you.

/s/
Ed Proctor

4 September 1974
(DATE)

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)

STAT

MEMORANDUM FOR: Director/OSR

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2

Hank--

The Director has approved our
talking to Bill Barnds when he is in town.
[] IC Staff will be arranging the
schedule for Barnds and will be contacting
you.

1e/
Ed Proctor

4 September 1974
(DATE)

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)

MEMORANDUM FOR: Director/OCI

Dick--

The Director has approved our
talking to Bill Barnds when he is in
town. [] IC Staff will be
arranging the schedule for Barnds
and will be contacting you.

1e/
Ed Proctor

4 September 1974
(DATE)

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)

Macy's question

OUTLINE OF STUDY OF INTELLIGENCE RESOURCES MANAGEMENT

A. Organization

1. Presidential Leadership, consisting of the NSC Intelligence Committee (Kissinger, DCI, Attorney General, Under-Secretary of State, the Deputy Secretary of Defense, and Chairman of the JCS), and the 40 Committee (Kissinger, Under-Secretary of State for Political Affairs, Deputy Secretary of Defense, DCI and Chairman of JCS), plus Net Assessment Group and Verification Panel.

General Questions:

a. In the 1950s the DCI regularly gave an intelligence briefing at the start of the weekly NSC meeting. This was a practical way of fulfilling the provision that the CIA reported to the NSC, and provided an excellent opportunity to make the most effective use of finished intelligence for top policy guidance. Today the NSC seldom meets and this channel for disseminating intelligence to policy makers is largely lost. Is there a serious need today to find an alternate effective channel for reaching policy makers with national intelligence?

Questions on Intelligence Committee:

a. With Kissinger so preoccupied elsewhere, how can this set-up work? Is it assumed that in practice the DCI will run these two Committees as Kissinger's deputy? How can the DCI be objective when he is an interested party?

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2

without the necessary staff? Can this Committee composed of busy very senior officials initiate, or only react?

c. What has Mr. Colby done about the Intelligence Committee activities and mandate since he became DCI? Has an orderly procedure been developed for soliciting the views of intelligence users?

d. Is there a conflict between the President's 1971 order to give the DCI a very broad leadership role including review of Community member budgets, and placing control over all US intelligence activities in the NSC staff through making Kissinger chairman of key committees and groups? If the DCI is in practice to run this top management set up, are you not thereby blurring the DCI's historic role as only an "operator" by putting him in the middle of top policy making? Is it also contrary to the law that places CIA under the NSC?

Questions on 40 Committee::

a. Has the committee review of on-going covert action projects since 1967 been useful? Do members other than CIA have independent information on results?

b. Should the members of this Committee have more opportunity to study the proposals before a Committee meeting? Does Kissinger get any real briefing beforehand? What staff does he have? How are they in a position to verify statements in proposals?

c. Should the 40 Committee also be concerned with major espionage projects, just as much as covert action projects?

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2

2. Management of Intelligence Community, consisting
of DCI and his Intelligence Resources Advisory Committee,
United States Intelligence Board, and National Intelligence
Officers.

Questions about the DCI:

a. Is the DCI handicapped in carrying out his leadership role spelled out by President Nixon because he can really only advise DCD on intelligence operations



b. In view of the nature of intelligence activities, would really tight management control by the DCI be desirable?

c. What should be done about secrecy? New legislation? More open relationships with Congress to reduce leaks designed to help get Congressional support for departmental budgets?

Questions about the Intelligence Resources Advisory Committee:

a. Have the efforts of this Committee to prepare a consolidated Community budget been useful? Resulted in important recommendations? How many of recommendations acted upon? Or do members merely use Committee for pushing for larger budgets for their own agencies?

b. What other action has the Committee taken.

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2

besides preparing a budget? Is there tangible evidence that the Committee has contributed to the effectiveness of the Community?

c. Are there organizational and procedural changes that could increase the Committee's effectiveness? Questions about the United States Intelligence Board:

a. How are the collection requirements and priorities set by USIB reflected in Community members' budgets, and in the DCI's consolidated budget with recommendations?

b. How are these collection requirements and priorities determined? Just who analyzes the consumers' needs? What guidance or priorities is there at the Presidential level? NSC Intelligence Committee? Washington Special Action Group?

c. The 12-to-14 man Board of National Estimates with 40 to 50 specialists has been phased out and replaced by 8 senior CIA officers known as National Intelligence Officers. These officers draft National Intelligence Estimates, coordinate them with the staff of the ^{Community} Committee members, and submit them to the USIB for approval. This change was made to provide Kissinger's NSC staff with quick assessments of questions of immediate concern. Long range assessments have been largely dropped. Has this change increased the ability of the Community to respond to priority needs of intelligence consumers? Are these estimates really much better than current intelligence? Do they tend

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2
to be much less balanced and reliable than under the

d. Is the DIA now unnecessarilyuplicating the
Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2
National Intelligence Estimates of enemy capabilities
produced by USIB?

e. Does the DCI lack Presidential support in
seeking carefully balanced estimates uninfluenced by
Community member budgetary considerations?

3. Management of Intelligence activities in DOD.

including Secretary of Defense, Assistant Secretary for
Intelligence, DIA, and the Executive Committee for
Reconnaissance (Ass't. Secretary of Defense for
Intelligence, the DCI, and Kissinger)

Questions on Secretary of Defense:

a. Are the classified executive orders called
National Security Council Intelligence Directives (NSCIDs)
adequate for controlling DOD operations on the National
intelligence collection programs? Are their provisions
sufficiently precise?

b. If DOD intelligence collection is not responsive
to consumer needs, or proves to be too unreliable, whom
does the Secretary of Defense hold accountable? Dr. Hall?
Admiral de Poix? Others?

c. Does the Sec Def have an adequate independent
machinery for evaluating the efficiency and effectiveness
of his intelligence activities? Where is it?

d. If it is true that the DCI is really unable to
exercise overall management of the Intelligence Community

25X1

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2
Or does it mean that the top intelligence official of the DOD should assume the role of the DCI for the whole Community and wear two hats? Or that the DCI should be part of the NSC set-up in the Office of the President?

Questions on Assistant Secretary for Intelligence:

a. Dr. Hall, Assistant Secretary for Intelligence, says that he "is the senior staff advisor to the Secretary of Defense on intelligence matters". He says that the Director of DIA is the "principal substantive intelligence advisor to the Secretary of Defense and the intelligence staff advisor to the JCS". In practice, just what is the difference between these two jobs vis-a-vis the Sec Def? Do either of them have any line responsibilities for NRO, NSA, and the three services?

b. How do these two officials find out what is really going on? Have either of them set any standards or goals against which to evaluate intelligence activities? How do they find out, for example, if the supply of and the capacity for processing raw intelligence in the DOD are in balance?

Questions on DIA:

a. Has the DIA in fact been able to consolidate the views of the three ~~serve~~ agencies for purpose of speaking with one voice at the USIB? Has it recently gone too far in the direction of duplicating the work of USIB with reference to estimates of enemy capabilities?

b. Are there important opportunities for DIA to

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2
go back further in consolidating the functions of the three services?

Approved For Release 2005/11/23 : CIA-RDP80B01495R00900060008-2
under the JCS because of the relationship between in-
telligence and the size of the DOD budget?

d. What responsibility does DIA have for reviewing the Consolidated Defense Intelligence Program (CDIP) of the DOD? Does the Sec Def look primarily to Dr. Hall or to Admiral de Poix for advice on this budget? Which one represents DOD on the IRAC?

Questions on the Executive Committee for Reconnaissance:

a. Does Dr. Kissinger ever attend meetings of this Committee? If not, who speaks for him?

b. What responsibility does this Committee have for bringing the supply of and effective demand for raw intelligence into balance?

c. To what extent does this Committee, and the USIB committee that does the detailed work on priorities, subject to the program spelled out in the approved NRO annual budget?

d. Is this Committee fully concerned with reviewing on-going as well as new programs? Are its actions cleared with the JCS or Sec Def?

e. What evaluation resources are available to this Committee?

4. Congressional and other Oversight, by two Armed Services and two appropriations committees, and the President's Foreign Intelligence Advisory Board.

Questions on Congressional committees:

a. Should there be a more formal, active Congressional Committee on Intelligence matters, covering not

only CIA but the whole Intelligence Community? Does

on Intelligence make sense?

b. What should be the purpose of Congressional oversight? Review political implications of covert operations. Review a consolidated budget for the Intelligence Community. Evaluate effectiveness of Community?

c. How can the Congress get hold of the most objective national intelligence available for purposes of reviewing the DOD budget? Should such intelligence be subject to prior review by the OMB after being reviewed by DCI? What are the organizational implications within the Executive Branch of a need for more solid intelligence to support the DOD budget? Is the Office of Strategic Research of CIA adequate to provide the DCI with the necessary check on DOD intelligence estimates? Would Senator Cooper's bill concerned with National Intelligence Estimates contribute to Congressional needs for more reliable intelligence?

d. Should the briefing of various Congressional groups be put on a more formal basis?

Questions on President's Foreign Intelligence Advisory Board

a. Just what is the purpose of the President's Board? To have readily available a group of private citizens to investigate any major failures that may occur in the Intelligence Community? To advise on the technological revolution that has taken place in intelligence collection? To serve as a watch dog? Etc.

b. What recommendations of this Board have been

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2
What is so unique about intelligence that
a Presidential Board is justified in this field and not
in many other activities of the US Government?

B. Budget Process

1. Policy and program guidance included in instructions
to various organizational units of each member of the Intelligence
Community.

a. Does the President's Office and the DCI provide
policy and program leadership at the start of the budget
process, or do they merely react to proposed budget of
the Community members? In other words, do the various
organizational units of Community members receive rather
detailed policy and program guidance in their instruc-
tions to prepare budget estimates, handed down either
from the President's Office and DCI, or their own agency
management, or both; or are they left pretty much on
their own in preparing estimates?

b. If instructions on policy and programs are
received, are they based on formal reviews of the
previous year's operations, mid-term planning, long
range goals, or an ad hoc compilation of policy and
program instructions? If the instructions include
monetary and personnel ceilings, are they agency-wide
ceilings equally applicable to all agency activities?
Do these ceilings reflect anticipated transfers of
funds between members of the Community? Do they provide
for establishing contingency funds?

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2

a. Are the various organizational units forced to spell out very concretely, preferably in quantitative terms, exactly what each program or major project is expected to accomplish during the next fiscal year?

b. Are objectives spelled out both for new and ongoing projects and programs?

c. Are these detailed objectives later used as the basis for program evaluations? and meaningful progress reports?

3. Budget review

a. Are penetrating reviews made of the Consolidated Defense Intelligence Program by the offices of Dr. Hall and Admiral de Poix? Do their views carry much weight? Has the preparation of the annual National Foreign Intelligence Program Budget Recommendation by the DCI proved to be a useful exercise? Just where is the weak link in their whole budget review process?

b. Does the Congress take its review of intelligence budgets very seriously? Does it get enough information to make a meaningful review?

C. Productivity in terms of proper allocation of resources, evaluation of operations, and choice of collection techniques.

1. Resource allocation

a. What is the general view of informed persons regarding the allocation of collection resources for national intelligence? Is there a consensus on certain misallocations? Why have these misallocations not

Approved For Release 2005/11/23 : CIA-RDP80B01495R000900060008-2

been corrected? Is there any consensus on what steps

b. What should be the proper criteria for determining the appropriate allocation of resources? Extent to which intelligence product is being used by consumers? Comparative costs of different collection methods? Quality of product of different collection methods? Availability of funds from Congress? Avoidance of duplication efforts?

Do

c. ~~Are~~ the most dubious allocations today include the continuing heavy emphasis in CIA on covert operations the continuing unsuccessful attempts of NSA to crack codes in sophisticated countries, and the overriding concern for military intelligence?

2. Evaluation of operations

a. Mr Colby reports that there is very little evaluation of performance of the Intelligence Community at this time. There is a serious lack of strong standard of pre-established user requirements against which intelligence activities to be measured. Evaluations that have been made were largely ad hoc examinations precipitated by some crisis within the Community. What is the status of Mr. Colby's reported instruction to develop appropriate evaluation machinery?

b. What evaluation machinery has been established (if any) by the individual members of the Intelligence Community? Is such machinery adequate? What standards have been established against which to evaluate programs?

3. Choice of intelligence techniques

a. Does the Community have any effective focal point for determining the appropriate intelligence collection techniques that should be used? If not, how are the techniques determined in practice?

b. Is there coordinated research to determine new or improved techniques in sophisticated countries, particularly for purposes of determining "intent" and the "internal power structure" of countries being targeted? Should there be coordinated research for making more effective use of overt activities of the U.S. Embassies in sophisticated countries in which it is most difficult to recruit high level agents or crack codes?